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1981 UNITED NATIONS PLEDGING CONFERENCE FOR DEVELOPMENT ACTIVITIES

SUMMARY RECORD OF THE 3rd MEETING

Held at Headquarters, New York,
on Wednesday, 4 November 1981, at 10.30 a.m.

Chairman: Mr. VAN WELL (Federal Republic of Germany)

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The meeting was called to order at 10.50 a.m.

STATEMENTS REGARDING PLEDGES (continued)

1. The representative of JAPAN said that his Government attached great importance to the expansion of its official development assistance, and intended to more than double its total ODA disbursements over the next five years despite the difficult budgetary situation it faced. Japan's assessed and voluntary contributions to the United Nations system were the second largest of any nation's.

2. Since Japan's budget was currently under preparation, it was difficult for his Government to make definite pledges. The exact amounts of Japan's contributions would be conveyed to the Secretary-General in due course.

3. UNDP, which had a central role in the United Nations system for technical co-operation in development activities, was of particular importance. His Government was making every effort to increase its financial contributions to UNDP, mindful of the 14 per cent target for annual increases in contributions, even though it had reservations about that target in present world economic conditions. Japan's contributions to UNDP during the second cycle period had consistently increased, at an average annual rate of more than 20 per cent.

4. Japan had been the largest contributor to the United Nations Revolving Fund for Natural Resources Exploration, which needed further contributions from other Member States if it was to meet the expectations of recipient countries. His delegation appreciated the role played by the United Nations Capital Development Fund in extending financial assistance to small-scale projects to benefit poorer developing countries. In 1980 and 1981, Japan had made contributions of $1 million to the Fund, and was considering making a further contribution next year.

5. The United Nations Industrial Development Fund was designed to place high priority on programmes that responded to the needs of the least-developed countries which might not be eligible under other assistance programmes. Japan had contributed to that Fund since 1978, and would continue to do so as far as possible. His Government had consistently increased its contributions to the United Nations Fund for Population Activities, and had actively supported UNICEF. It trusted that UNICEF would attempt to increase the efficiency to its administrative service, so that as large a proportion as possible of its limited resources could be allocated to programme implementation. Japan had contributed to UNICEF in the past, and his Government was currently studying the question of its contribution in 1982.

6. His Government understood the importance of the social problems caused by drug abuse and thus welcomed the activities of the United Nations Fund for Drug Abuse Control. It had contributed to that Fund annually since 1979, and was considering an appropriate contribution for 1982. Japan also attached great importance to the Voluntary Fund for the United Nations Decade for Women: Equality, Development and Peace. It had contributed to that Fund in 1979 and 1980, and was considering the possibility of making a contribution for 1982.

7. The representative of JORDAN announced contributions of $US 20,000 to UNFPA and $US17,000 to the United Nations Interim Fund for Science and Technology for Development, the latter contribution being conditional on the outcome of the debate on the mandate and future of that Fund. His Government also intended to contribute $US 240,000 to UNDP. That contribution reflected its confidence in the Fund and the Administrator of UNDP. His Government would announce further contributions for development activities once its budget had been approved.

8. The representative of KENYA said that his Government appreciated the excellent work accomplished by the Administrator of UNDP in operational activities for development. Despite its very limited resources, Kenya pledged 16,875 Kenyan shillings to activities in the field of human settlements, KSh 37,500 to UNDP, KSh 1,430 to UNIDO, KSh 7,000 to UNICEF, KSh 6,000 to the local office of UNICEF, KSh 500 to the World Food Programme and KSh 18,000 to UNEP. The Kenyan shilling was fully convertible. The developed countries should increase their contributions to United Nations development activities, since such international assistance was vital for accelerating the development of developing countries.

9. The representative of KUWAIT pledged $US 570,000 to UNDP, $US 200,000 to UNICEF, $US 50,000 to UNIDO and $US 30,000 to UNFPA. His Government's contributions to other funds would be announced in due course.

10. The representative of the LAO PEOPLE'S DEMOCRATIC REPUBLIC said that the structural crisis affecting the world economy had particularly painful consequences for less developed countries. His Government, despite its economic difficulties would contribute in national currency $19,600 to UNDP, $500 to UNFPA, $1,500 to the United Nations Capital Development Fund, $1,000 to the United Nations Special Fund for Land-locked Developing Countries, $1,500 to UNIDO and $5,000 to UNICEF.

11. The representative of NIGERIA said that his Government intended to contribute 500,000 naira to UNDP. Details of contributions to other development activities would be announced later.

12. The representative of UGANDA said that his country's needs for resources, following a decade of neglect and a war of liberation, were immense. Uganda strongly supported the role of the United Nations in development. His Government wished to announce a total contribution of 1,200,000 Uganda shillings, to be apportioned between UNDP, UNFPA, the United Nations Habitat and Human Settlements Foundation, UNICEF and UNIDO. Details of the allocation would be provided later.

13. The representative of URUGUAY said that his Government attached great importance to the development activities of the United Nations, and was considering contributions to various programmes.

14. The representative of MALAWI announced contributions of $24,800 to UNDP, $2,000 to the Special Measures Fund for the Least Developed Countries, $7,550 to the United Nations Capital Development Fund, $2,100 to the United Nations Special Fund for Land-locked Developing Countries, $1,000 to the United Nations Interim Fund for Science and Technology for Development, $4,300 to UNICEF, $1,400 to UNFPA, $2,700 to UNIDO, $1,000 to Habitat, and $540 to the United Nations Fund for Drug Abuse Control.

15. The representative of the UNITED REPUBLIC OF CAMEROON announced contributions of 15 million CFA francs to UNDP, CFAF 74,827,000 for programme expenditure, CFAF 18,843,000 for the office of the Resident Representative in Yaoundé, CFAF 26,500,000 to UNICEF, CFAF 4,500,000 to WFP, CFAF 2,250,000 to UNEP, CFAF 1,000,000 to the Habitat and Human Settlements Foundation, CFAF 6,025,000 to the Voluntary Fund for the United Nations Decade for Women, CFAF 500,000 to the United Nations Fund for Drug Abuse Control, CFAF 3,750,000 to the United Nations Trust Fund for Sudano-Sahelian Activities, CFAF 1,000,000 to UNITAR and CFAF 1,200,000 to UNIDO. His delegation was gratified at the level of resources contributed to the United Nations Transport and Communications Decade in Africa.

16. The representative of PAKISTAN announced a contribution of $300,000 to UNFPA.

17. The representative of SWAZILAND announced contributions of 15,000 emalangeni to UNDP, 1,000 emalangeni to UNICEF, 1,000 emalangeni to Habitat, 1,000 emalangeni to UNIDO, 1,000 emalangeni to the United Nations Special Fund for Land-locked Developing Countries and 1,000 emalangeni to the United Nations Transport and Communications Decade in Africa.

18. The representative of GUATEMALA announced a contribution of 5,000 quetzales to UNFPA.

19. The PRESIDENT announced that the Secretariat had received the following pledges from the Solomon Islands: $1,000 for UNDP, $1,000 to UNFPA, $500 for United Nations Volunteers and $500 for UNICEF.

20. Ms. KAMAL (Secretary of the Conference) said that, in accordance with rule 21 of the rules of procedure, the Secretary-General would maintain the list of pledges made or announced at the Conference until 30 June 1982. In the meantime, Member States could enter any additional pledges. The total would be published later.

ADOPTION AND SIGNATURE OF THE FINAL ACT (A/CONF.110/L.1)

21. The PRESIDENT said that, if there were no objections, he would take it that the Final Act of the Conference (A/CONF.110/L.1) was adopted. He invited the participants to append their signatures to it.

22. The Final Act was adopted and signed by representatives of Governments attending the Conference.

CLOSURE OF THE CONFERENCE

23. Mr. SALAS (Executive Director, United Nations Fund for Population Activities) said that 65 Governments had announced pledges for the Fund for 1982, totalling approximately $57.1 million. He was particularly heartened by the increases - some of them substantial - announced by 23 Governments. All the major donors with one exception had increased their pledges for 1982. The Fund's anticipated total income for that year would amount to approximately $129 million, an increase of

(Mr. Salas, UNFPA)

approximately 8 per cent. However, that fell far short of what was needed for the programming authorized by the Governing Council for 1982. The shortfall, combined with the effects of currency fluctuations and inflation and the fact that programmes had had to be rephased, meant that there could probably be no new programmes for 1982. That was unfortunate at a time when population programmes all over the world had begun to receive unprecedented support from countries. That support had been expressed in many statements made on behalf both of developed and of developing countries, but it had not been reflected in pledges made at the Pledging Conference. It would be necessary, as a result, to rephase programmes so that all the Fund's commitments would be to the developing countries. He hoped that all countries represented at the next session of the Governing Council would reflect carefully on the consequences of the lack of resources. He also hoped that there would be less currency fluctuation than there had been during the current year, when a loss of $14 million in resources had resulted.

24. Mr. GRANT (Executive Director, UNICEF) said that 87 Governments had announced pledges of contributions to UNICEF's general resources for 1982 totalling $92 million - an increase of 19 per cent, assuming that exchange rates remained constant. In addition, approximately $9 million had been pledged for specific-purpose contributions.

25. A number of countries, including some major donors, had so far been unable to announce their pledges, but it was estimated, on the basis of past experience and the best available information, that a further $98 million might be pledged in the coming months, bringing the estimated total of pledges for 1982 to $190 million - an increase of $16 million, or approximately 9 per cent, over the contributions for general resources expected for 1981. The 9 per cent increase was approximately equal to the anticipated rate of inflation for 1982.

26. Exchange rate movements during the past year had caused the currency-of-account value of the contributions actually received in 1981 in accordance with pledges made in the previous year to be some 15 per cent lower than the value expected when pledges had been announced. It had therefore been necessary to reduce the level of support offered to programmes during the current year by 12.5 per cent. The increases just announced brought the estimated dollar income for UNICEF's general resources back to the approximate level of November 1980, before the major changes in foreign exchange rates had taken place.

27. Those changes had so far resulted in a loss of over $40 million in 1981, and there was likely to be a total loss of $80 million during the period 1981-1983 if exchange rates remained as they were at present. Such losses had been aggravated by other factors, and particularly by the depletion of UNICEF's "liquidity provision", the replenishment and strengthening of which would require some $60 million over the forthcoming three years.

28. At its recent session, the UNICEF Executive Board had reaffirmed that the primary emphasis in UNICEF's activities was on programme delivery, with an evident need for continuing programme growth. However, in view of experiences in 1981, and of all the uncertainties with respect to voluntary contributions

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in 1982 and 1983, the Board had decided to accept, as the initial framework for the financial plan for those years, a low income projection which would represent a substantial reduction in previously planned and approved levels of growth. Current UNICEF country programmes, which had been reduced by 12.5 per cent during 1981, must therefore be reduced by a further 20 per cent in 1982 and 1983 pending further review of UNICEF's financial situation. While those reductions continued in force, programme support would show no real growth over the 1981 level and would be approximately one third lower than the programmes previously planned for implementation in 1982 and 1983. The immediate consequences would be that the drilling of tube wells, the equipping of health clinics and the training of community workers would be seriously reduced, while the numbers of people living in absolute poverty were increasing and millions more children appeared likely to die during the decade than had been anticipated a year earlier.

29. Against that background of increasing distress among children and mothers, and of financial difficulties in its operations, UNICEF appealed to Governments for their support in 1982 and 1983, although it appreciated the difficulties which they were experiencing. Its staff, which were among the first to see the human dimensions of the problems in the affected countries, were aware that the programmes which would suffer most from reductions were those of the least developed countries, which were deeply in debt and were forced to reduce further the minimal services which they endeavoured to deliver to their people, among whom children and their mothers were always the hardest hit.

30. He welcomed the fact that, at a time of global financial deterioration, a number of major donor Governments with recent high levels of financial support were maintaining such support, and that several Governments were substantially increasing their contributions to UNICEF and to development assistance in general. He also welcomed the formation of the Arab Gulf Programme for the United Nations Development Organizations, whose pledge of $25 million represented a 12-fold increase over the previous contributions of the seven Governments concerned and the third largest single source of UNICEF's current income.

31. He noted the efforts of most Governments which, although unable significantly to increase their contributions, had at least maintained the levels of such contributions at a time of drastic retrenchment in their own internal programmes.

32. He appealed for early payment of contributions, and welcomed the statements of several Governments on their intentions in that respect. Governments had, in the past, paid their contributions mainly in the second half of the year, and expenditure during the first half had therefore exceeded the contributions received. In view of UNICEF's reduced liquidity and lack of resources, it was important to redress that cash flow imbalance for 1982 and 1983. He therefore appealed to donors in a position to do so to make their full contributions for 1982 and 1983 as early in the year as possible, and preferably before 30 April.

33. Referring to the unique support received by UNICEF from the general public, principally through the efforts of national committees for UNICEF and

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non-governmental organizations and through the sale of greeting cards, he said that UNICEF expected to receive over $50 million from such sources in 1982, compared with approximately $40 million in 1981.

34. The present time, when the Development Decade of the 1980s was being launched, was not a time to stagnate or retrogress. Achievement of the new International Development Strategy goals would mean that, by the year 2000, several million fewer children would die each year than was now anticipated and an even larger number of births would be avoided. While he was grateful for the pledges made during the past two days, he emphasized that much more was still required. He assured contributing Governments that UNICEF would do its utmost to extract every possible benefit for children from the scarce financial resources over which it had been given stewardship. The current time of need made it all the more important for UNICEF to continue its efforts to obtain more from proportionately less.

35. Mr. MORSE (Administrator, United Nations Development Programme) said that on the basis of the preliminary results of the current Pledging Conference, his concern about its outcome had deepended considerably. It must not be forgotten that Governments were not contributing to an organization, but for the benefit of people in the developing countries who sorely needed assistance to enable them to achieve self-sustained and self-reliant development. Following a number of consultations, he was not surprised at the estimated level of pledges for 1982; but the results were distinctly disappointing. Ninety-eight Governments had announced specific contributions to UNDP totalling between $395 and $396 million, including contributions by developing countries to programming costs; but, since a number of Governments, including some traditionally large donors, still awaited the completion of their budgetary processes, it was impossible to give an accurate estimate of total contributions to UNDP for the first year of its development co-operation cycle. Wide fluctuations in exchange rates, together with the widening gap between the date on which pledges were made and the date of payment, added to the difficulties in making such estimates.

36. Although the pledges made by a number of Governments represented an increase in national currencies, their conversion into dollars had resulted, in some cases, in an actual decrease. Contributions for 1982 would certainly fall substantially short of the 14 per cent annual growth target confirmed by the Governing Council for the forthcoming five-year cycle, while for the period 1981-1982, contributions in real terms had fallen by almost 25 per cent. He did not believe that that dismal trend reflected the will of Governments with respect to an institution which had been created by Governments, had proved its effectiveness and had been seen as an open and trusted channel of international co-operation between developed and developing countries long before the North-South dialogue had been recognized as the most critical item on the global agenda; but the record certainly challenged his conviction.

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37. He wished to pay a tribute to Governments which, while facing serious internal economic difficulties, had recognized the growing needs of developing countries for effective multilateral technical co-operation, and had summoned the political will and national generosity to pledge substantially increased contributions for 1982. Some 30 countries had announced increases of 14 per cent or more in their contributions. Twenty-four of them were developing countries, representing every region of the developing world, and a number of them were in the least developed category. He wished to pay a special tribute to those countries, and to the middle-income developing countries, particularly in Latin America, which had also substantially increased their contributions. Zambia had increased its contribution by 1,000 per cent, Peru by 135 per cent, Honduras by 45 per cent and Burundi by 34 per cent. He welcomed the support of Belize, Mozambique and Zimbabwe, which had become new contributors. Iceland and Israel had more than doubled their contributions. Among the major donors, France had increased its contribution by 29 per cent, Italy by 65 per cent and Switzerland by 17 per cent.

38. Despite those highly favourable developments, however, the over-all picture was extremely bleak. At the twenty-seventh session of the Governing Council, he had warned Governments of the serious consequences which the Programme would face early in the cycle if the level of contributions failed to show a substantial annual increase.

39. In the statement which he would shortly circulate to participants, he would refer at greater length to activities in a number of other sectors, but he wished to draw particular attention to the United Nations Revolving Fund for Natural Resources Exploration. The level of resources announced for that programme, which was achieving momentum, was extremely disappointing.

40. If UNDP was to continue to provide the services required by many developing countries, it could no longer be denied an increasingly predictable, continuous and assured basis of contributions. A number of countries which had carried a disproportionate burden of support had made it clear that they were not prepared to go on making substantial annual increases until other Governments in a position to do so demonstrated their determination to carry a larger share of the load. That was an eventuality which he had predicted when first assuming office. While a number of Governments had substantially increased their contributions to the Programme during the intervening years, others had been less forthcoming.

41. UNDP must have a more solid resource base. He intended to initiate intensive consultations to that end in the near future, and he urged representatives to communicate at once with their Governments, drawing attention to the importance and gravity of the situation and to his concern that it should be remedied urgently. All concerned must face the reality of the situation and reflect on the predictable consequences to the development efforts of the countries served by the Programme. He appealed to Governments to provide the level of resources needed in the years ahead to enable the Programme to fulfil its responsibility for helping the disadvantaged countries to achieve self-reliant, self-sustained

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and self-generating development. He pledged UNDP's best efforts to manage the resources provided for the benefit of developing countries with the careful stewardship Governments had a right to expect, and he appealed to all Governments to follow the example of those which had demonstrated their support by pledging substantially increased contributions, so that UNDP could play its critical part in the great human adventure.

42. Mr. CROOKE (United Nations Industrial Development Organization (UNIDO)), speaking on the behalf of the Executive Director of UNIDO, expressed his organization's appreciation to the Member Governments and their representatives for the many statements in support of UNIDO's activities and for their pledges of financial contributions to the United Nations Industrial Development Fund. There had been an encouraging increase in the number of countries contributing to the Fund; 67 countries had pledged a total of $8,046,111 for 1982. A number of countries had not been able to pledge contributions to the Fund on the present occasion, but had indicated they would do so at a later date; and it was hoped that other countries would also announce pledges later. He wished particularly to thank the countries which had increased their pledges.

43. Financial resources were still below the annual funding level of $50 million endorsed by General Assembly resolutions 32/166 and 33/178, but it was hoped that increased contributions by Member Governments would enable the Fund to become an adequate source of finance for new and special technical assistance programmes in the field of industry which required UNIDO's support. The UNIDO secretariat would continue to devote its best efforts to making optimum use of the resources now available.

44. Mr. REXED (Executive Director, United Nations Fund for Drug Abuse Control (UNFDAC)) said that the present United Nations Pledging Conference for Development Activities was the first in which UNFDAC had taken part. During the past few years the Fund's programme had centred on support for development activities in a number of developing countries, and in countries where the production and cultivation of dangerous narcotic drugs was particularly active. In the latter case, the Fund's programmes had promoted agricultural and alternative economic development, road construction, education and health development, thus enabling the poorest populations in those countries to improve their living standards, and also reducing the dangerous effects of drug abuse. He was glad to note that the United Nations had accepted the principle that the major part - 75 per cent at present - of the Fund's work should not be concerned with development.

45. At the present Conference 20 countries had pledged a total of approximately $3,466,000; but he hoped that, with the contributions of certain Governments which had promised to state the exact amount of their support later, and of other Governments with whom negotiations were in progress, that sum would eventually be at least doubled.

46. The results of the present Conference were highly gratifying and represented a breakthrough in funding. The Fund would continue to work actively to assist all Governments with drug abuse problems, especially in the developing countries.

47. Mrs. PASTIZZI-FERENCIC (Director, International Research and Training Institute for the Advancement of Women) said that she wished to thank the Governments which had pledged a total of approximately $340,000 in support of the Institute's work, those which had given pledges in kind and others which had indicated the possibility of making contributions in the future. All those pledges would enable the Institute to make plans for extending its programmes and related activities since it was financed entirely from a separate trust fund of approximately $2 million.

48. The activities of the Institute were aimed at strengthening the integrated approach to development which would benefit women, and through them, the entire population. The Institute was only now becoming operational; but, with the support pledged at the present Conference, she was confident that by the time of the 1982 Pledging Conference, it would show a record that justified the faith placed in it.

49. Mrs. SELLAMI-MESLEM (Director of the Branch for the Advancement of Women, Centre for Social Development and Humanitarian Affairs) expressed gratitude and appreciation to the 29 Governments which had pledged contributions totalling $1,426,627 to the Voluntary Fund for the United Nations Decade for Women. She wished particularly to thank the Governments of Zimbabwe and the Republic of Korea which had pledged contributions for the first time and the Governments of India, Italy, Norway, France, Iceland, Philippines and Indonesia which had substantially increased their contributions. All those contributions were evidence of growing interest and determination on the part of Governments to work for the advancement of women.

50. The Voluntary Fund was concerned with projects mainly for disadvantaged women, who were not assisted by projects financed by other funds and programmes. It needed basic support in order to cope with the growing needs of the different categories of disadvantaged women, mainly in the rural area, by organizing projects to help to increase their participation in their countries' economic development. She trusted that pledges would continue and increase and that contributions would materialize as soon as possible.

51. Mr. OKALI (United Nations Centre for Human Settlements (Habitat), speaking on behalf of the Executive Director of the Centre, thanked the States which had pledged voluntary contributions for the work of the Centre or had indicated their intention to do so in due course.

52. Although access to adequate shelter had long been universally recognized as a basic human need, if not a basic right, it still eluded the masses of people everywhere - and even many people in the richer developed countries - mainly because many Governments still failed to give adequate shelter the priority it deserved in their planning and expenditure. Yet investment in human settlements development was one of the most economically and socially productive uses of funds, generating benefits for the economy and society as a whole.

53. The Commission on Human Settlements and the United Nations Centre for Human Settlements (Habitat), which had been set up to promote greater awareness of the

(Mr. Okali, Habitat)

need for human settlements development and the possibilities inherent therein, and to assist Governments to that end, had devoted themselves seriously to their task, and the pledges of voluntary contributions totalling approximately $1.4 million by 31 States were evidence of their support for the efforts and the goal. He appealed to other Governments to follow their example. Although the sum pledged fell far short of closing the gap between the Centre's resources and requirements, it was gratifying that many developing countries had once again demonstrated the value they attached to the Centre's work and that the Centre continued to attract voluntary contributions from States which had shown their confidence in the past. He welcomed the contributions of States, such as France, which had made pledges for the first time and hoped that such pledges were only a start. The Centre would continue to pursue its work with its customary dedication and professionalism, in recognition of the trust which had been placed in it.

54. The PRESIDENT announced that the pledges made at the Conference for organizations whose representatives had not spoken totalled: UNEP $1,133,653, UNITAR $193,152, United Nations Research Institute for Social Defence $46,903, United Nations University $40,708, UNHCR $2,000, World Food Programme $2,629,876, Trust Fund for the United Nations Centre on Transnational Corporations $458,260, United Nations Trust Fund for African Development Activities $10,000 and Transport and Communications Decade in Africa $52,950.

55. He declared the 1981 United Nations Pledging Conference for Development Activities closed.

The meeting rose at 1.20 p.m.